

**RAILROAD COMMISSION OF TEXAS  
GAS SERVICES DIVISION**

**GAS UTILITIES  
INFORMATION BULLETIN**

**No. 761**



**RAILROAD COMMISSION  
OF TEXAS**

**Victor G. Carrillo, Chairman  
Charles R. Matthews, Commissioner  
Michael L. Williams, Commissioner**

**Stephen L. Pitner  
Director  
Gas Services Division**

**December 10, 2004**

TABLE OF CONTENTS

<u>SECTION</u>	<u>PAGE</u>
SECTION 1 - NEW APPEALS AND APPLICATIONS FILED .....	2
SECTION 2 - APPEALS AND APPLICATIONS SET FOR HEARING .....	2
SECTION 3 - STATUS OF PENDING CASES.....	2
SECTION 4 - NOTICES OF DISMISSAL .....	3
SECTION 5 - ORDERS OF THE COMMISSION .....	3 - 17
SECTION 6 - MISCELLANEOUS .....	18 – 20

Orders were issued in the following dockets:

**GUD DOCKET NO. 9532 APPLICATION OF SID RICHARDSON GAS PIPELINE, LTD. TO ESTABLISH AN INITIAL CITY GATE RATE FOR THE CITY OF GRANDFALLS, TEXAS**

**GUD DOCKET NO. 9364 JOINT PETITION OF CENTERPOINT ENERGY ENTEX AND THE CITY OF TYLER FOR REVIEW OF CHARGES FOR GAS SALES**

DECEMBER 10, 2004

---

**SECTION 1**  
**NEW APPEALS AND APPLICATIONS FILED**

<b>DOCKET NO.</b>	--	9555
<b>CAPTION</b>	--	Application for Review of the Merger between Atmos Energy Corporation and TXU Gas Company LP.
<b>DATE FILED</b>	--	November 23, 2004
<b>FILED BY</b>	--	R. Earl Fischer
<b>EXAMINER</b>	--	Rose A. Ruiz
<b>DOCKET NO.</b>	--	9556
<b>CAPTION</b>	--	Application of Kinder Morgan Texas Pipeline, L.P. for Review of the Purchase of Inactive Crude Oil P/L Formerly the Rancho P/L System from Rancho P/L Holdings, L.P., TEPPCO Crude P/L, L.P., Amoco Rancho P/L Company, Marathon Ashland Pipe Line LLC, and Crown-Rancho Pipe Line Corporation.
<b>DATE FILED</b>	--	December 2, 2004
<b>FILED BY</b>	--	Lee Baskin
<b>EXAMINER</b>	--	Mark Evarts
<b>DOCKET NO.</b>	--	9557
<b>CAPTION</b>	--	Statement of Intent filed by Woodsboro Natural Gas Corporation to Increase Rates in the Environs of Woodsboro, Texas.
<b>DATE FILED</b>	--	November 24, 2004
<b>FILED BY</b>	--	Parker Dixon
<b>EXAMINER</b>	--	John Chakales
<b>DOCKET NO.</b>	--	9558
<b>CAPTION</b>	--	Application filed by ETC Texas Pipeline, LTD. for Review of the Acquisition of Certain Gas Utility Assets from Southwestern Gas Pipeline, Inc. and Acacia Natural Gas Corporation.
<b>DATE FILED</b>	--	November 24, 2004
<b>FILED BY</b>	--	Daniel R. Renner
<b>EXAMINER</b>	--	Mark Brock
<b>DOCKET NO.</b>	--	9559
<b>CAPTION</b>	--	Application of Enterprise Products Partners, L.P. for Review of Merger with GulfTerra Energy Partners, L.P.
<b>DATE FILED</b>	--	November 17, 2004
<b>FILED BY</b>	--	Shelli Myers
<b>EXAMINER</b>	--	Rose A. Ruiz

**SECTION 2**  
**APPEALS AND APPLICATIONS SET FOR HEARING OR PREHEARING CONFERENCE**

None at this time.

**SECTION 3**  
**STATUS OF PENDING CASES**

DECEMBER 10, 2004

None at this time.

**SECTION 4**  
**NOTICES OF DISMISSAL**

None at this time.

**SECTION 5**  
**ORDERS OF THE COMMISSION****RAILROAD COMMISSION OF TEXAS**

<b>APPLICATION OF SID RICHARDSON GAS</b>	<b>§</b>	
<b>PIPELINE, LTD. TO ESTABLISH AN INITIAL</b>	<b>§</b>	<b>GAS UTILITIES DOCKET NO. 9532</b>
<b>CITY GATE RATE FOR THE CITY OF</b>	<b>§</b>	
<b>GRANDFALLS, TEXAS</b>	<b>§</b>	

**ORDER ESTABLISHING AN INITIAL CITY GATE RATE FOR THE CITY OF GRANDFALLS, TEXAS**

Sid Richardson Gas Pipeline, Ltd. (Sid Richardson) filed its application to establish an initial city gate rate for the City of Grandfalls, Texas (City), on September 15, 2004. The Application states and the City has confirmed that the proposed rate has been agreed upon between the City and Sid Richardson. The Attorney for the City by letter dated September 30, 2204, has notified the Commission that it has received notice of the Application and is being represented in this matter by counsel. The rate was suspended on November 4, 2004 in order to review the application and the rate schedules attached thereto. A proposed Order has been agreed to by the City and Sid Richardson and submitted to the Commission for its consideration. The proposed Order would establish an initial City Gate Rate for the City of Grandfalls of 35¢ per MMBtu for transportation service plus 1% retainage for fuel and lost and unaccounted for system gas. The cost of the gas supplied to the City will be priced at the Platts Inside FERC Gas Market Report-Market Center, West Texas Waha, (Waha) first day of the month price for the month of delivery. The Waha hub index is a recognized natural gas price index located in the immediate vicinity of the City.

**FINDINGS OF FACT**

1. The City of Grandfalls, Texas, (City) is an incorporated municipality in Ward County, Texas, and operates its own gas distribution system.
2. The City has been receiving its City Gate service from ONEOK, Inc. (ONEOK), pursuant to a contract between the City and ONEOK.
3. The City has represented that the rate paid to ONEOK for past service was 65¢ per MMBtu for transportation plus 1% fuel and lost and unaccounted for system gas plus the cost of the gas itself.
4. The contract between the City and ONEOK has expired.
5. The City has reached an agreement with Sid Richardson Gas Pipeline, LTD (Sid Richardson) to provide city gate service to the City. The City is the only customer served by Sid Richardson inside the city limits of Grandfalls. Pursuant to that agreement, Sid Richardson has been providing service to the City as of August 1, 2004, pursuant to the agreed rate. No revenues have yet been collected by Sid Richardson for that service. The City and Sid Richardson have agreed that the agreed rate will charged and collected, effective as of August 1, 2004. A copy of that agreement has been submitted in this docket.

DECEMBER 10, 2004

6. The cost of service calculation prepared by Dr. Bruce Fairchild establishes a cost of service rate of \$2.71 per MMBtu for transportation plus 1% retainage for fuel and lost and unaccounted for system gas.
7. The transportation rate component on the City Gate Rate agreed to by the City and Sid Richardson is 35¢ per MMBtu plus 1% retainage for fuel and lost and unaccounted for system gas.
8. The City and Sid Richardson have agreed that the cost of gas component to be included in the City Gate rate each month will be the Inside FERC first of the month Waha gas price index for the month of delivery. Sid Richardson will deliver the full requirements of the City without the necessity of the City nominating those volumes. The delivery will be through the existing city gate meter. Gas volumes delivered will be measured in thousand cubic foot increments ( Mcf) and will be adjusted for the heating value of the gas in million British Thermal units (MMBtu) per MCF.
9. The agreed rate is just, reasonable and not in excess of a cost based rate.
10. The City and Sid Richardson have waived the issuance of a Proposal for Decision and the opportunity for Exceptions and Replies.
11. A proposed tariff has been agreed to by the parties and will be filed with the Commission upon the adoption of this Order.

#### **CONCLUSIONS OF LAW**

1. The Commission has the jurisdiction to hear this case pursuant to its authority under the Texas Utilities Code to establish just and reasonable rates for natural gas utilities.
2. The proposed agreed rate is an initial rate and therefore the filing of a Statement of Intent to Change Rates is not required.
3. The only affected party is the City. The City has received notice of the Application and has participated in the proceeding.
4. No Proposal for Decision or schedule for the filing of Exceptions and Replies are needed because the parties have waived their rights thereto.
5. The docket is procedurally complete and the Commission has the jurisdiction to adopt an Order in this docket.

#### **ORDER**

THE RAILROAD COMMISSION OF TEXAS hereby adopts the above stated Findings of Fact and Conclusions of Law.

THE RAILROAD COMMISSION OF TEXAS finds that the proposed rate of 35¢ per MMBtu plus 1% retainage for fuel and lost and unaccounted for system gas is just and reasonable, fair and equitable, and not in excess of a cost based rate.

THE RAILROAD COMMISSION OF TEXAS hereby finds that the proposed gas cost component using the Inside FERC first of the month price index for the month of delivery to the city gate is just and reasonable.

THE RAILROAD COMMISSION OF TEXAS hereby finds that a date of August 1, 2004, for the rate to be effective, charged and collected, as agreed by the City and Sid Richardson, is just and reasonable.

IT IS HEREBY ORDERED that the rates shown on the attached schedules for Sid Richardson Gas Pipeline, Ltd. are APPROVED.

**RAILROAD COMMISSION OF TEXAS**

/s/  
VICTOR G. CARRILLO, CHAIRMAN

/s/  
CHARLES R. MATTHEWS, COMMISSIONER

/s/  
MICHAEL L. WILLIAMS, COMMISSIONER

ATTEST:

Kim Williamson  
SECRETARY

<b>SCHEDULES TO GUD DOCKET NO. 9532</b>
---

**SID RICHARDSON GAS PIPELINE LTD.  
COST OF PROVIDING TRANSPORTATION SERVICE  
Test Year Ended December 31, 2003**

**Schedule 1  
(Updated)  
Page 1 of 1**

<b>Description</b>	<b>Reference Schedule</b>	<b>Amount</b>
Operations & Maintenance Expenses	Schedule 2	\$ 39,293
Administrative & General Expenses	Schedule 3	180,507
Taxes Other than Income	Schedule 4 (Updated)	19,712
Depreciation Expense	Schedule 5 (Updated)	305,088
Return on Investment		
Rate Base	Schedule 6 (Updated)	\$ 1,568,719
Rate of Return	Schedule 10	9.45%
Return	Schedule 11	148,296

	(Updated)	
	Schedule 11	
	(Updated)	
Income Tax Expense		52,371
<b>Transportation Revenue Requirements</b>		<b>\$ 745,267</b>
Throughput (MMBtu)	Schedule 12	274,737
<b>COST OF PROVIDING TRANSPORTATION (Per MMBtu)</b>		<b>\$ 2.71</b>

**SID RICHARDSON GAS PIPELINE LTD.**  
**OPERATION & MAINTENANCE EXPENSES**  
**Test Year Ended December 31, 2003**

**Schedule 2**  
**Page 1 of 1**

<b>Description</b>	<b>Amount</b>
<b>Operation Expenses:</b>	
Operating Labor & Supplies	\$ 4,404
Employee Benefits	606
Employee Expenses	1,404
Employee Pensions	2,384
Allocated Systems and Facilities	17,569
ROW & Land Damages	2,071
Safety Program	215
Environmental Expenses	244
Utilities	359
Communications	225
Antifreeze & Corrosion Inhibitors	1,809
Methonal	762
Misc. Operating Supplies	150
Total	\$ 32,202
<b>Maintenance Expenses:</b>	

Electrical Parts & Supplies	\$	42	
Instrument Parts & Supplies		2,598	
Pipe & Pipe Fittings		144	
Misc Maintenance		1,455	
Total			4,239
<b>Contract Services:</b>			
Contract Labor	\$	1,821	
Waste Water Disposal		104	
Misc. Contract Services		927	
Total			2,852
<b>Total Operation &amp; Maintenance Expenses</b>	<b>\$</b>		<b>39,293</b>

**SID RICHARDSON GAS PIPELINE LTD.**  
**ADMINISTRATIVE & GENERAL EXPENSES**  
**Test Year Ended December 31, 2003**

**Schedule 3**  
**Page 1 of 1**

<b>Description</b>	<b>Amount</b>	
<b>Direct:</b>		
Labor and Benefits	\$ 103,596	
Dues and Subscriptions	5,769	
Rent	5,298	
Professional Services	2,720	
Travel and Entertainment	438	
Communications	724	
Other	249	
Total		\$ 118,793
<b>Allocated A&amp;G</b>		
Accounting	\$ 22,379	
Treasury	3,756	
Tax	14,567	
Data Processing	8,079	
Internal Audit	1,075	
Office Services	5,983	
Personnel	1,447	



Other				4,428	
Total					61,714
<b>Total Administrative &amp; General Expenses</b>					<b>\$ 180,507</b>
<b>Details:</b>					7%
Direct A&G:					
Labor and Benefits	3,033,864	50%	7%	103,596	
Dues and Subscriptions	168,962	50%	7%	5,769	
Rent	155,157	50%	7%	5,298	
Professional Services	79,649	50%	7%	2,720	
Travel and					
Entertain					
ment	12,823	50%	7%	438	
Communications	21,190	50%	7%	724	
Other	7,288	50%	7%	249	
Allocated:					
Accounting	655,380	50%	7%	22,379	
Treasury	109,991	50%	7%	3,756	
Tax	426,601	50%	7%	14,567	
Data Processing	236,608	50%	7%	8,079	
Internal Audit	31,491	50%	7%	1,075	
Office Services	175,205	50%	7%	5,983	
Personnel	42,386	50%	7%	1,447	
Other	129,669	50%	7%	4,428	

**SID RICHARDSON GAS PIPELINE LTD.**  
**TAXES OTHER THAN INCOME**  
**Test Year Ended December 31, 2003**

**Schedule 4**  
**(Updated)**  
**Page 1 of 1**

<b>Description</b>	<b>Amount</b>
--------------------	---------------

**Ad Valorem:**

Residue Line -- Buena Vista ISD	\$ 2,445
Residue Line -- Grandfalls-Royalty ISD	1,197
Residue Line -- Monahans-Wickett-	2,171

	Pyote		
	Kermit Line (b)	10,172	
	Total	\$	15,985
<b>Gas Utility Taxes (a):</b>			3,726
<b>Total Taxes Other than Income</b>		<b>\$</b>	<b>19,712</b>
(a)	Total Cost of Service (Schedule 1)	\$	745,267
	Gas Utility Tax Rate		0.50%
	Gas Utility Taxes	\$	3,726
(b)	Ad valorem taxes calculated as 1% of net original cost.		

**SID RICHARDSON GAS PIPELINE LTD.**  
**DEPRECIATION EXPENSE**  
**Test Year Ended December 31, 2003**

**Schedule 5**  
**(Updated)**  
**Page 1 of 1**

Description	Original Cost	Life	Amount
Residue Line	\$ -	20	\$ -
Coyanosa Line	\$ 516,597	20	25,830
Kermit Line	5,585,161	20	279,258
<b>Total Depreciation Expense</b>			<b>\$ 305,088</b>

**SID RICHARDSON GAS PIPELINE LTD.**  
**RATE BASE**  
**Test Year Ended December 31, 2003**

**Schedule 6**  
**(Updated)**  
**Page 1 of 1**

Description	Amount
<b>PLANT IN SERVICE</b>	
<u>Property, Plant &amp; Equipment:</u>	
Residue Line	\$ -
Coyanosa Line	516,597
Kermit Line	5,585,161
Total Property, Plant & Equipment	\$ 6,101,758
<u>Accumulated Depreciation</u>	
Residue Line	\$ -
Coyanosa Line	-
Kermit Line	(4,567,935)
Total Accumulated Depreciation	(4,567,935)
<b>Net Plant in Service</b>	<b>\$ 1,533,823</b>
<b>WORKING CAPITAL</b>	
Line Pack (a)	\$ 7,421
Cash Working Capital Allowance (b)	27,475
<b>Working Capital</b>	<b>34,896</b>
<b>NON-INVESTOR SUPPLIED CAPITAL</b>	
Deferred Income Taxes	\$ -
<b>Non-Investor Supplied Capital</b>	<b>-</b>
<b>RATE BASE</b>	<b>\$ 1,568,719</b>
(a) Mcf in Residue Line	1,153
Mcf in Coyanosa Line	

Total Mcf		1,441
Price per Mcf	\$	5.15
<b>Total Line Pack</b>	<b>\$</b>	<b>7,421</b>
(b) Operation & Maintenance Expenses (Schedule 2)	\$	39,293
Administrative & General Expenses (Schedule 3)		180,507
Total Operating Expenses	\$	219,800
1/8th Factor		0.125
<b>Cash Working Capital Allowance</b>	<b>\$</b>	<b>27,475</b>

**SID RICHARDSON GAS PIPELINE LTD.**

Schedule

Page 1 of

**CAPITAL STRUCTURE**
**Test Year Ended December 31,  
2003**

Company	2003		2002		2001		2000		1999	
	Long-term Debt	Common Equity	Long-term Debt	Common Equity	Long-term Debt	Common Equity	Long-term Debt	Common Equity	Long-term Debt	Common Equity
Equitable Resources	36.8%	63.2%	42.4%	57.6%	36.9%	63.1%	37.3%	62.7%	39.7%	60.3%
Kinder Morgan Inc	54.6%	45.4%	57.0%	43.0%	54.3%	45.7%	60.5%	39.5%	68.2%	31.8%
National Fuel Gas	50.2%	49.8%	53.2%	46.8%	51.1%	48.9%	49.1%	50.9%	46.7%	53.3%
ONEOK Inc	60.2%	39.8%	52.5%	47.5%	54.2%	45.8%	54.6%	45.4%	40.8%	59.2%
Questar Corp	48.0%	52.0%	48.0%	52.0%	52.5%	47.5%	41.9%	58.1%	44.3%	55.7%
<b>AVERAGE</b>	<b>50.0%</b>	<b>50.0%</b>	<b>50.6%</b>	<b>49.4%</b>	<b>49.8%</b>	<b>50.2%</b>	<b>48.7%</b>	<b>51.3%</b>	<b>47.9%</b>	<b>52.1%</b>

Source: The Value Line Investment Survey (March 19, 2004).

**SID RICHARDSON GAS PIPELINE LTD.**  
**EMBEDDED COST OF DEBT**  
**Test Year Ended December 31, 2003**
**Schedule 8**  
**Page 1 of 1**
**Embedded**

Company	Cost
Equitable Resources	6.12%
Kinder Morgan Inc	6.96%
National Fuel Gas	6.61%
ONEOK Inc	6.26%
Questar Corp	6.57%
<b>Average</b>	<b>6.51%</b>

Source: Company Annual Reports and Form 10-Ks.

<b>Equitable Resources</b>			
5.15% Notes 2018	200,000	5.15%	10,300
5.15% Notes 2012	200,000	5.15%	10,300
7.75% Debentures 2026	115,000	7.75%	8,913
8.0-9.0% Series A 2003-2021	53,500	8.50%	4,548
6.5-7.6% Series B 2003-2023	60,500	7.05%	4,265
6.8-7.6% Series C 2007-2018	18,000	7.20%	1,296
Other	6,414	6.12%	393
Total	653,414		40,014
Average			6.12%
<b>Kinder Morgan</b>			
6.5% Debentures 2013	50,000	6.50%	3,250
8.75% Debentures 2024	75,000	8.75%	6,563
7.35% Debentures 2026	125,000	7.35%	9,188
6.67% Debentures 2027	150,000	6.67%	10,005
7.25% Debentures 2028	493,000	7.25%	35,743
7.45% Debentures 2098	150,000	7.45%	11,175
6.65% Senior Notes 2005	500,000	6.65%	33,250
6.80% Senior Notes 2008	300,000	6.80%	20,400
6.5% Senior Notes 2012	1,000,000	6.50%	65,000
8.56% Jr. Debenture 2027	103,100	8.56%	8,825
7.63% Jr. Debenture 2028	103,100	8.56%	8,825

Unamortized Premium	3,798		
Unamortized Discount	(4,311)		
Total	3,048,687		212,223
Average			6.96%
<b>National Fuel Gas</b>			
7.75% Debentures	125,000	7.75%	9,688
6-7.5% Medium-term Notes	849,000	6.75%	57,308
5.25-6.5% Due 2013-2022	347,400	5.88%	20,410
Other	68,110	6.61%	4,505
Total	1,389,510		91,910
Average			6.61%
<b>ONEOK Inc</b>			
7.75% due 05	335,000	7.75%	25,963
7.25% due 06	300,000	7.25%	21,750
4.0% due 08	402,500	4.00%	16,100
Libor + 1.25% due 09	3,027	2.50%	76
6.0% due 09	100,000	6.00%	6,000
7.125% due 11	400,000	7.13%	28,500
7.25% due 13	2,421	7.25%	176
6.4% due 19	93,679	6.40%	5,995
6.5% due 28	92,865	6.50%	6,036
6.875% due 28	100,000	6.88%	6,875
8.0% due 51	1,362	8.00%	109
Other	47,460	0.00%	0
Total	1,878,314		117,579
Average			6.26%
<b>Questar</b>			
Revolving 2004	55,000	1.77%	974
7% Notes	200,000	7.00%	14,000
7.5% Notes	150,000	7.50%	11,250
5.85-7.55% Notes 2008-2018	310,400	6.70%	20,797
5.02%-8.12% Notes 2007-2024	290,000	6.57%	19,053
Other	123	6.57%	8
Unamortized Debt Discount	(323)		0

Total	1,005,200		66,081
Average			6.57%
<b>TEPPCO</b>			
3-Year Revolver	432,000	2.50%	10,800
6.45% Senior Notes	179,845	6.45%	11,600
7.51% Senior Notes	210,000	7.51%	15,771
7.625% Senior Notes	497,995	7.63%	37,972
Total	1,319,840		76,143
Average			5.77%

**SID RICHARDSON GAS PIPELINE LTD.**  
**RATE OF RETURN ON COMMON EQUITY**  
**Test Year Ended December 31, 2003**

**Schedule 9**  
**Page 1 of 1**

Company	Dividend Yield (a)	Long-term Growth			Average	DCF Cost of Equity
		Value Line (a)	I/B/E/S (b)	Zack's (c)		
Equitable Resources	2.8%	12.0%	10.0%	10.0%	10.7%	
Kinder Morgan Inc	3.6%	17.5%	13.0%	13.0%	14.5%	
National Fuel Gas	4.4%	5.5%	4.0%	7.0%	5.5%	
ONEOK Inc	3.3%	8.5%	8.0%	6.0%	7.5%	
Questar Corp	2.3%	6.0%	8.0%	8.0%	7.3%	
<b>Average</b>	<b>3.3%</b>				<b>9.1%</b>	<b>12.4%</b>

(a) The Value Line Investment Survey (March 19, 2004).

(b) Standard & Poor's Earnings Guide (April 2004).

(c) Zack's PDF Snapshot (April 5, 2004).

**SID RICHARDSON GAS PIPELINE LTD.**  
**RATE OF**

**Schedule 10**

**RE**  
**TU**  
**RN**

**Page 1 of 1**

**Test Year Ended December 31, 2003**

<b>Description</b>	<b>Capital Structure</b>	<b>Component Cost</b>	<b>Weighted Cost</b>
Long-term Debt	50.0%	6.51%	3.25%
Common Equity	50.0%	12.40%	6.20%
<b>Total</b>	100.0%		<b>9.45%</b>

**SID RICHARDSON GAS PIPELINE LTD.  
RETURN AND INCOME TAX EXPENSE  
Test Year Ended December 31, 2003**
**Schedule 11  
(Updated)  
Page 1 of 1**

<b>Description</b>	<b>Amount</b>
<b>Return on Investment</b>	
Rate Base	\$ 1,568,719
Rate of Return	9.45%
<b>Return on Investment</b>	<b>\$ 148,296</b>
<b>Interest Expense</b>	
Rate Base	\$ 1,568,719
Weighted Cost of Debt	3.25%
<b>Interest Expense</b>	<b>(51,036)</b>



<b>After-tax Income</b>		\$	97,261
	(1+ (35%/(1 -		
	35		
<b>Gross-up Factor</b>	%)		1.5385
<b>Taxable Income</b>		\$	149,632
<b>Federal Corporate Income Tax Rate</b>			35.00%
<b>Income Tax Expense</b>		\$	52,371

**SID RICHARDSON GAS PIPELINE LTD.**  
**THROUGHPUT**  
**Test Year Ended December 31, 2003**

**Schedule 12**  
**Page 1 of 1**

<b>Description</b>	<b>Amount</b>
Compressor Station 120	95,107
Grandfalls City Gate	5,684
Peyton Compressor	33,671
Estes Compressor	47,180
Sealy Compressor	93,095
<b>Total Throughput (MMBtu)</b>	<b>274,737</b>

## RAILROAD COMMISSION OF TEXAS

JOINT PETITION OF CENTERPOINT	§	GAS UTILITIES DOCKET
ENERGY ENTEX AND THE CITY OF TYLER	§	NO. 9364
FOR REVIEW OF CHARGES FOR GAS SALES	§	

**ORDER**

Notice of Open Meeting to consider this Order was duly posted with the Secretary of State within the time provided by law pursuant to TEX. GOV'T CODE ANN. Chapter 551 (Vernon 1994 and Vernon Supp. 2004).

After considering the interim appeal filed by Centerpoint Energy Entex of **Examiners' Letter No. 29** filed on November 23, 2004, and the response filed by the City of Tyler, the interim appeal is **DENIED**.

**IT IS FURTHER ORDERED THAT** all relief not specifically granted herein is **DENIED**.

**SIGNED** this 7<sup>th</sup> day of December, 2004.

RAILROAD COMMISSION OF TEXAS

/s/  
**VICTOR G. CARRILLO**  
**CHAIRMAN**

/s/  
**CHARLES R. MATTHEWS**  
**COMMISSIONER**

**MICHAEL L. WILLIAMS**  
**COMMISSIONER**

ATTEST

**Kim Williamson**  
**SECRETARY**

**SECTION 6**  
**MISCELLANEOUS**

**STEPHEN L. PITNER, GAS SERVICES DIVISION DIRECTOR**

**1. OFFICE OF THE DIRECTOR**

**A. Publications**

1. Texas Utilities Code Titles 3 and 4. Special Rules of Practice and Procedure and Substantive Rules - \$15.00
2.
  - a. Annual Report for Fiscal Year 2002 – Now available via the Commission’s website at:  
<http://www.rrc.state.tx.us/divisions/gs/tablecontents02.html>
  - b. Annual Report for Fiscal Year 2001 – available via the Commission’s website at:  
<http://www.rrc.state.tx.us/divisions/gs/tablecontents01.html>
  - a. Annual Report for Fiscal Year 2000 - \$17.00 (includes statistical data for 1999)
  - b. Annual Report for Fiscal Year 1999 - \$9.00 (includes statistical data for 1998)
  - c. Annual Report for Fiscal Year 1998 - \$7.00 (includes statistical data for 1997)
3. Six MCF Monthly Residential Gas Bill Analysis for Twenty-five Texas Cities - \$2.00 – Now available via the Commission’s website at: <http://www.rrc.state.tx.us/divisions/gs/rap/sixmcf.html>

DECEMBER 10, 2004

Anyone who wishes to obtain a copy of any of the publications or maps listed in Section A should contact the Central Records Section at 512-463-6887 OR 512-463-6882 P. O. Box 12967, Austin, Texas 78711-2967.

**B. Interest Rate on Customer Deposits**

We have been advised by the Public Utility Commission that the interest rate to be applied to customer deposits in calendar year 2004 is 6.00%. All gas utilities should use this rate.

**2. UTILITY AUDIT SECTION**

**A. Maintains headquarters and three district offices as follows:**

Headquarters - William B. Travis Building 1701 North Congress, P. O. Box 12967, Austin, Texas 78701	Telephone (512) 463-7022
Ed Abrahamson, Director, Utility Audit Section	Fax (512) 475-3180
Shannon Miller, Program Specialist	
Pearl Rodriguez, Program Specialist	
Rachel Hampton, Administrative Assistant	

Dallas District- 1546 Rowlett Rd., Suite 107, Garland, Texas 75043	Telephone (972) 240-5757
	Fax (972) 303-1897
Yolandra Davis, Auditor	
Josh Settle, Auditor	

Austin District- P. O. Box 12967, Austin, Texas 78711-2967	Telephone (512) 463-7022
	Fax (512) 475-3180
Stephen Cooper, Senior Auditor	

Houston District- 1706 Seamist Drive. Suite 501 Houston, TX 77008-3135	Telephone (713) 869-8425
	Fax (713) 869-3219
Margie Stoney, Senior Auditor	
Larry Alcorn, Auditor	
Bryan L. Sparkman, Auditor	
Konata Uzoma, Auditor	

**B. Gas Utility Tax, Annual Reports and Audit Reports**

Questions relating to gas utility tax, annual reports and audit reports, call Pearl Rodriguez at (512) 463-7022.

**C. Available Information**

Copies of gas utility annual reports (1999 to present), as well as information relating to any of the above, A through C, are available for review at the William B. Travis Building, Gas Services Division, 9th Floor, 1701 North Congress. All requests for copies must be made in writing and should be addressed to the Audit Section. Copies will be provided for a fee, depending on the volume of copy work desired, allow a minimum of five days for completion of requests. Inquiries regarding copies should be directed to the Audit Section at (512) 463-7022, or Fax your request to (512) 475-3180.

**3. MARKET OVERSIGHT**

**A. Maintains the following office to assist you:**

Headquarters - William B. Travis Building 1701 North Congress, P.O. Box 12967, Austin, Texas 78711	Telephone (512) 463-7164
William O. Geise, Director	

DECEMBER 10, 2004

**B. Gas Utilities Information Bulletin**

Published on the Commission's web site at: <http://www.rrc.state.tx.us/divisions/gs/rap/rapbls.html>.

**C. Proposals For Decision**

Published on the Commission's web site at: <http://www.rrc.state.tx.us/divisions/gs/rap/pfds.html>.

**D. Tariff Filings**

Questions pertaining to the filing of tariffs and/or quality of service rules should be directed to Kathy Arroyo, Yolanda Lovelace or Marie Blanco at (512) 463-7164.

**E. Curtailments**

Curtailment questions should be referred to (512) 463-7164. Curtailment reports made Monday through Friday, 8:00 a.m. to 5:00 p.m., should be made to (512) 463-7164. Curtailment reports made during hours other than those specified above and holidays, should be made to (512) 463-6788.

**F. Compliance Filings**

Questions regarding gas utilities docket compliance filing requirements should be referred to Mark Brock at (512) 463-7164.

**G. Complaints and Inquiries**

All complaints and inquiries relating to the gas utility industry should be directed to the Market Oversight Section at (512) 463-7164.

**H. Pending RRC Rules and Regulations:**

GUD No. 9253 New Rule for Relocation Cost Recovery Factor

GUD No. 9275 Amendments to §7.512 NGPA Section 311 Rate Review

GUD No. 9276 Amendments to §7.511 TUC Section 102.054 Sale, Transfer, Merger Reviews

GUD No. 9277 Amendments to §7.305 Curtailment Rule

GUD No. 9449 Amendments to §7.45 Quality of Service

**4. HEARINGS AND LEGAL ANALYSIS****A. Miscellaneous**

Anyone wishing to obtain copies of appendices to Orders appearing in Section 5 of this Bulletin should contact the Legal Division at (512) 463-7017.

**B. Status of Pending Cases**

The status of all pending cases listed in Section 3 of this Bulletin is for informational purposes only and is complete up to the time of printing of this Bulletin. For a more accurate status of pending cases, please call the Legal Division at (512) 463-7017.